

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO**

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In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

Re: ECF No. 663, 674, 858

(Jointly Administered)

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In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY (“HTA”)

Debtor.

PROMESA
Title III

No. 17 BK 3567-LTS

**This Joint Motion relates only to
HTA and shall be filed in the lead
Case No. 17 BK 3283-LTS and Case
No. 17 BK 3567-LTS.**

**JOINT MOTION AND STIPULATIONS CONCERNING THE REQUEST
FOR RELIEF OF STAY FILED BY HTA MANAGERIAL EMPLOYEES**

COME NOW, the Managerial Employees of the Puerto Rico Highway and Transportation Authority (“HTA”) listed in Exhibit I of the *Motion Requesting Relief From Stay* (Dckt. 663) (the “Motion”), hereinafter designated as the “Movants” and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) on behalf of the Puerto Rico Highways and Transportation Authority (“HTA”)

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

thru their respective counsel and respectfully state and pray:²

1. On July 19, 2017, the Movants filed the Motion requesting this Honorable Court to lift the automatic stay under Bankruptcy Code section 362(a), made applicable by PROMESA section 301(a) (the “Title III Stay”), pursuant to section 362 (d)(1) of the Bankruptcy Code, of the legal proceedings that are being held on the employment claims filed and prosecuted against the HTA by Movants before different Commonwealth’s judicial and administrative forums. See Dckt. 663.

2. On August 2, 2017, AAFAF, on behalf of HTA, filed an objection to the Motion (Dkt. 858) (the “Objection”). In the Objection, AAFAF argues, among other things, that it needs additional time to evaluate Movants’ claims in the overall context of HTA’s Title III case. It also pointed to Movants’ failure to provide information about the status and stage of each of the 115 employment claims prosecuted by them, which have been stayed after the commencement of HTA’s Title III case.

3. After holding discussions, the parties have reached an agreement adopting a process that would allow HTA to receive particularized information on each of the claims involved in the Motion and for both parties to conduct discussions in an effort to reach agreements regarding Movants’ request for relief of stay.

4. The parties have agreed to the following terms:

- a. During the next 30 days, the Movants will furnish HTA with particularized information concerning each claim included in the list attached as Exhibit 1 to the Motion, including a summary of the nature of the claim, the status and stage of the proceedings, and any other information that may be relevant to Sonnax factors nos. 1,10, & 11.³

² The Financial Oversight and Management Board for Puerto Rico, as the Debtors’ representative pursuant to section 315(b) of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), has authorized AAFAF to consent to this joint motion on behalf of HTA.

³ Sonnax Indus., Inc. v. TriComponent Prods. Corp. (In re Sonnax Indus., Inc.), 907 F.2d 1280 (2d Cir. 1990).

- b. After the Movants provide the information described above, HTA will make an individual analysis of the request for relief of stay for each claim and will respond to the Movants, through their counsel, whether it will withdraw its objection to the lift of the stay. This response will be furnished to Movants' counsel no later than 45 days after Movants have provided the relevant information on each claim.
- c. After HTA furnishes its response as described above, the parties will hold further discussions in an effort to reach an agreement on any remaining controversies concerning the request for relief of the stay of the proceedings corresponding to the claims being prosecuted by Movants against HTA.
- d. After concluding their discussions, the parties will file a joint motion with the Court informing the Court of the results of the negotiations, any agreements obtained, and any remaining controversies.
- e. Both parties expressly reserve the right to pursue, modify, and/or supplement their respective positions concerning the Title III Stay and relief of stay of any and all proceedings on the claims, in regards to which no agreement is reached.

5. The parties respectfully request the Honorable Court to hold the Motion and AAFAF's Objection under advisement for a period of ninety (90) days expiring on November 12, 2017 to allow them to conduct the process as set forth herein.

WHEREFORE, the appearing parties respectfully request this Honorable Court to approve the agreements as set forth above.

CERTIFICATE OF SERVICE

COUNSEL FOR BOTH PARTIES CERTIFY that on this date, this document has been electronically filed with the Clerk of the Court using the CM/ECF System, which will send notice to all registered participants.

COUNSEL FOR MOVANTS certify they have also sent a true and exact copy of this Motion via regular mail and e-mail to counsel for HTA in various of the proceedings that have been stayed pursuant to the commencement of HTA's Title III case, including: Lcdo. Juan M. Maldonado De Jesús, Oficina del Asesor Legal ACT, P.O. Box 42007 San Juan, Puerto Rico 00940-2007 and jumaldonado@dtop.pr.gov; Carlos J. Garcia Bonilla, Oficina de Asesoría Legal ACT, PO Box 42007 San Juan, Puerto Rico 00940-2007 and cjpgarcia@dtop.pr.gov; María Elena Vázquez Graziani and Rocío Ramos Santiago, Vázquez Graziani & Rodríguez, 33 Calle Resolución, Suite 805 San Juan, Puerto Rico 00920-2707 and rocioramos@vgrlaw.com and vazgra@vgrlaw.com, respectively; Sarah G. Sáez López and Raúl Castellanos, Development & Construction Law Group LLC PMB 443, Suite 112, 100 Grand Paseos Boulevard San Juan, Puerto Rico 00926 and rcastellanos@devconlaw.com and ssaez@devconlaw.com, respectively.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 15th day of August, 2017.

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